

Energy Policy Review Commission - Unofficial Minutes

Wednesday April 3, 2013

1:00pm – 2:30pm

Executive Office of Energy and Environmental Affairs

2nd Floor Conference Room B

Members in Attendance:

Tom Regh	Progressive Energy Services
Bob Rio	A.I.M
Elliot Jacobson	Action Inc.
Sandra Merrick	AGO
Robert Kaufmann	Boston University

Others in Attendance:

Rick Sullivan	EEA
Dan Burgess	EEA
Hinna Upal	EEA
Josh Croft	NEEP
Christina Fisher	Office of Sen. Downing
Tina Halfpenny	DOER
Alissa Whiteman	DOER
Patrick Coleman	DOER
Andy Goldberg	AGO
Patricia Crowe	National Grid
Kevin Galligan	Care Light Compact
Rob Calnan	Calnan's Energy Systems Inc.
Jeremy McDiarmid	ENE
Stolle Singleton	Office of House Minority Leader
Lauren Farrell	EEA
Mark Syvlia	DOER
Phu Mai	Office of Rep. Beaton
Martha Broad	MassCEC
Matt Saunders	AGO
Kevin Penders	Keegan Werlin
Jesse Reyes	AGO
Ben Davis	DPU
Shaela Collins	Rich May, P.C.
Jerrold Oppenheim	LEAN

Documents passed out:

- Agenda

Secretary Sullivan called the meeting to order at 1:05pm.

Disclaimer: These minutes are not intended as a verbatim transcript of comments at the meeting, but a summary of the discussion which took place; nor does this document attest to the completeness, reliability, or suitability of this information.

Introduction

Secretary Sullivan welcomed the Commission members and attendees and began the introductions. He then thanked the Commission members and agency staff for the time they've put into the Commission and said that while it is required by the legislation, it is very important. Dan Burgess stated that this would be a very full meeting but the March-29 Data Request Meeting went well and EEA has reached out to Tom to schedule his data request meeting.

Tom Regh questioned the status of the last two Commission members. Hinna Upal stated that the absent members should not affect the Commissions activities as vacancies have not posed a problem before.

Presentation – “Energy Efficiency: Benefits and Costs, & Program Performance”

Tom Regh, Progressive Energy Services

Regarding Mr. Regh's presentation, Secretary Sullivan questioned how other states leverage these costs. Mr. Regh replied that the State's average costs are lower, for example \$8000 in Maine and \$7000 in New York. Elliot Jacobson questioned if this included low income for residential to which Mr. Regh replied that it does not include low income. Mr. Jacobson stated that the data would probably be different if low income residential was included.

Jeremy McDiarmid asked if Mr. Regh was aware that the council receives quarterly reports that are more detailed and do address many of these issues. Tina Halfpenny mentioned that she would be covering those reports in her presentation to follow. Ms. Halfpenny then stated that as a point of context, it is difficult for homeowners to make a \$15,000 investment as home improvement decisions are typically made on an annual basis. Mr. Regh replied that homeowners could look at the 0% interest heat loan or at other states such as Oregon where incentives are given per home address.

Secretary Sullivan suggested this would be a good time for Tina Halfpenny to present and then can open the meeting for discussion.

Presentation – “Energy Efficiency: A look into costs and benefits”

Tina Halfpenny, DOER

To supplement Ms. Halfpenny's presentation, Kevin Galligan gave a presentation on behalf of the Program Administrators. Mr. Galligan said that he believes Massachusetts has done a great job and his presentation is a continuation of Tina's presentation.

Presentation – “Working to Expand and Promote Energy Efficiency”

Kevin Galligan, Care Light Compact, Program Administrators

Open Discussion and Next Steps

Secretary Sullivan said there was about 15 minutes left of the meeting for questions, comments and discussions but he would have to leave the meeting early for a conference call. The Secretary then asked Mr. Regh about his statement regarding high overhead costs for administrative costs but suggesting more consumer education, and how he suggests to go about doing so. Mr. Regh responded that work is being done inefficiently and payback is lower on the list of priorities. He went on to say there are areas in programs with 100% inspection where money doesn't need to be spent and suggested dropping back

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to 10% inspection. Mr. Regh continued that the problem isn't about spending more money but where the biggest bang for the buck is. Secretary Sullivan questioned if this would draw bigger overhead costs. Mr. Regh replied that inspections are redundant and a better investment would be in official education on codes. Mr. Jacobson stated that he disagreed and that 100% inspection is the only way and worth every penny. Mr. Regh replied that low income is a different animal. Mr. Jacobson agreed but responded that the same contractors are used. Ms. Halfpenny stated that there are people who want to get home improvements and others may want to live in moldy and drafty homes so it is hard to deal with both sides. She said that the P.A's have been responsive and has changed the market. She also reminded that the lion-share of surveys has come from the C&I sector. Professor Kaufmann said that increasing choices only make things worse and makes it more difficult to make a decision. He went on to say that it does not make sense to devote a large amount of resources to educate decisions people rarely make. Professor Kaufmann suggested the nudge approach should be used instead, give lesser choices and increase decisions. He described an opt-in/opt-out study where no extra education was needed and a similar idea could be used for home energy conservation. Mr. Regh responded that he doesn't claim to have all the answers and that he believes the P.A.'s have been resistant to discuss these changes. He went on to say that Ms. Halfpenny said Massachusetts is a leader in her presentation but there were no comparisons to other states. Mr. Regh then questioned if the data the ACEEE was wrong. Professor Kaufmann stated that influence is a factor and that the more ambitious a program is, the more it costs so people tend to go after the low hanging fruit. He also said that another way to look at Tom's numbers was to compare it to the State's goals. Mr. Regh responded that Massachusetts should be comparing themselves to other states, such as Vermont, Wisconsin, and Minnesota, who have been doing weatherization but have harsher winters. He continued that the State is not effectively weatherizing homes but instead changing light bulbs. Mr. Regh questioned which saved more money, changing light bulbs or weatherization. Ms. Halfpenny responded that there are statutes in place to help residents in the Commonwealth and they have been in place since 1979.

Dan Burgess interjected that this has been healthy discussion but the meeting should be respectful of the time. He stated that a framework for the report was sent out to the Commission and while it may be broad, it is compliant with the legislation. He asked Commission members to bring their comments to the next meeting on April 17th, where DPU will be presenting. Mr. Burgess reminded Commission members and meeting attendees that all presentations and minutes from this meeting would be posted on the website.

The meeting adjourned at 2:30pm.